

RECEIVED
FEDERAL ELECTION
COMMISSION
OFFICE OF GENERAL
COUNSEL

AUG 2 11 14 AM '36

)
)
)
) MUR 4428
)
)
)

As set forth in more detail below, the RNC's "GOP-TV" project plans to produce a series of partisan programs about its National Convention, to be aired during the Convention on two cable television networks. The costs of the cable television air time have been paid for entirely by a corporation, the San Diego Convention and Tourist Bureau (doing business as the San Diego Convention and Visitors Bureau). This is a blatant violation of the Commission's rules requiring that national party committees pay for at least 65% of the costs of partisan communications with funds meeting the requirements of federal law. The law prohibits corporate contributions from being used for this share of the costs.

The Commission's rules permit separate funds or accounts of government agencies and municipal corporations to pay for certain Convention expenses. There is no indication of whether whether the San Diego Convention and Visitors Bureau is a fund or account of a government agency or municipality. Even if the San Diego Convention and Visitors Bureau qualifies as such a fund or account, however, the costs of broadcast time for the GOP-TV program would not be a proper Convention expense.

Further, the San Diego Convention and Visitors Bureau is barred by Commission rules from accepting corporate contributions earmarked for any Convention activity. In this case, the San Diego Convention and Visitors Bureau accepted a \$1.3 million contribution from Amway Corporation, a contribution which was solicited by the RNC itself and was specifically earmarked to buy cable television time for the GOP-TV television programs. Amway had previously contributed huge sums to the RNC to pay for the costs of the main GOP-TV operation located at the RNC headquarters in Washington, DC.

STATEMENT OF FACTS

I. Parties

1. The Democratic National Committee ("DNC"), complainant, is the national committee of the Democratic Party, as defined in 2 U.S.C. § 431(14), and is a political committee registered with the Commission. Its address is 430 South Capitol Street, S.E., Washington,

D.C. 20003.

2. The Republican National Committee ("RNC") , respondent, is the national committee of the Republican Party, as defined in 2 U.S.C. § 431(14), and is a political committee registered with the Commission. Its address is 310 1st Street, S.E., Washington, D.C. 20003.

The following allegations are made on information and belief.

II. GOP-TV Programs To be Aired During the Convention

3. GOP-TV is a project of the RNC, in which partisan television programs promoting the Republican Party's message, leaders and candidates are produced, at facilities located at RNC headquarters. Attached as Exhibit 1 are articles describing the origin and operation of GOP-TV.

4. The 1996 Republican National Convention is scheduled to take place from August 12 through August 15, 1996, in San Diego, California.

5. On July 24, 1996, RNC Chairman Haley Barbour announced that GOP-TV would be producing a series of television programs in the form of the RNC's own "coverage" of its National Convention. A copy of Chairman Barbour's statement and accompanying information released by the RNC is attached as Exhibit 2.

6. According to Chairman Barbour, this "coverage" is designed to ensure that "[t]he American people have the opportunity to partake in the celebration of Republican ideas and achievements that will be our convention." (RNC News Release, Exhibit 2, p. 1). Accordingly, the programs will enable viewers to "hear directly from the party's leaders, rising stars and grass-roots activists." (Id.). The "reporters" for this so-called "coverage" will three Republican Members of Congress--Rep. Jennifer Dunn (R-Wash.), Rep. Henry Bonilla (R-Tex.) and Rep. J.C. Watts (R-Okla.)--and Joe Galli, Chairman of the College Republicans. (Id. at 2).

7. According to Chairman Barbour, in addition to this partisan discussion and presentation of Convention proceedings, the GOP-TV programs "will introduce viewers to men and women across America who have put those Republican ideas to work to make their communities better places to live." (Id.).

8. The RNC materials indicate that these GOP-TV programs will be broadcast on the Family Channel, a cable television network, from 9:00 p.m. to 11:00 p.m. EDT each evening from August 12 through August 14, 1996, and from 9:00 p.m. to 10:00 p.m. EDT on August 16, 1996. An additional GOP-TV program will be broadcast on the USA Network, another cable television network, from 7:00 a.m. to 7:30 a.m. Eastern and Pacific times each morning from August 12 through August 16, 1996. ("Unconventional Convention" press release, Exhibit 2).

III. Corporate Payment for Cable Television Time

9. At the July 24 press conference, Chairman Barbour stated that the entire \$1.5 million cost of the cable television time on the Family Channel and USA Network has been paid for the San Diego Convention and Visitors Bureau. (See RNC News Release, Exhibit 2, and newspaper articles reporting on the press conference, attached as Exhibit 3).

10. The "San Diego Convention and Visitors Bureau" is the trade or assumed name for the San Diego Convention and Tourist Bureau, a nonprofit mutual benefit corporation incorporated under the California Nonprofit Mutual Benefit Corporation Law, California Corporations Code sections 7110 et seq. Attached as Exhibit 4 are the Articles of Incorporation for the San Diego Convention and Tourist Bureau, as filed with the Secretary of State of California. Attached as Exhibit 5 is the summary of a filing made by the San Diego Convention and Tourist Bureau with the Illinois Secretary of State, confirming that "San Diego Convention and Visitors Bureau" is a trade or assumed name for the San Diego Convention and Tourist Bureau.

11. The San Diego Convention and Tourist Bureau is not the Host Committee for the Republican National Convention. There is no evidence of whether it is a separate fund or account of a government agency or municipality.

IV. Earmarking of Contribution to San Diego Convention and Tourist Bureau

12. According to press reports, Amway Corporation made a \$1.3 million donation to the San Diego Convention and Visitors Bureau specifically earmarked for payment of the costs of the cable television time on the Family Channel and USA Network to air the GOP-TV programs. (See articles attached as Exhibit 6). Amway confirmed, in a statement released to the press on July 25, 1996, that it had made the donation for the specific purpose of funding the GOP-TV broadcasts "and is proud to be a part of making this important event available to the American public." (See "Amway Says it Was Unnamed Donor," Washington Post, July 26, 1996, page A8, Exhibit 6).

13. The RNC also confirmed to reporters that it had specifically solicited the Amway donation to the San Diego Convention and Visitors Bureau. RNC spokeswoman Mary Mead Crawford stated that:

Lots of people knew that we were planning to do this and lots of people said, "Gee, is there any way I can help?" And when the San Diego Convention and Visitors Bureau decided that they wanted to televise it, we told those people who were asking us, "You might want to talk to the San Diego Convention and Visitors Bureau."

(Id.).

14. Amway Corporation had previously contributed \$2.5 million to the RNC to fund the construction of the television studio for GOP-TV located at RNC headquarters, and for the first year of GOP-TV's operation. (See "Leading the Political Communications Race," Washington Post, April 24, 1995, Exhibit 1, and articles attached as Exhibit 6).

VIOLATIONS OF LAW

15. By any measure, the GOP-TV programs about the Republican National Convention are partisan communications sponsored by the RNC. They will be produced by and under the auspices of GOP-TV, an RNC project. They will be called "GOP-TV's Coverage of the Convention." (See Exhibit 2, last page). Their express purpose, according to the RNC's chairman, is to communicate to viewers a "celebration of Republican ideas and achievements." (RNC News Release, attached as Exhibit 2.). The so-called "coverage" will be provided, not by journalists, but by three Republican Members of Congress and a Republican party official. (Id.). The programs are designed to enable viewers to "hear directly from the party's leaders, rising stars and grass-roots activists." (Id.).

16. Under the Commission's rules, such communications are *generic party activities* which "urge the general public to register, vote or support candidates of a particular party." 11 C.F.R. § 106.5(a)(2)(iv).

17. National party committees such as the RNC are required to pay at least 65% of the

costs of such party communications, in presidential election years, from their federal accounts, 11 C.F.R. § 106.5(b)(2)(i). Such federal accounts must consist solely of funds meeting the prohibitions and limitations of federal law. 11 C.F.R. § 102.5(a)(1)(i). The Federal Election Campaign Act of 1971, as amended, (the "Act"), and the Commission's rules, prohibit any corporate contributions to the federal account of a national political party committee. 2 U.S.C. § 441b; 11 C.F.R. § 114.2(b).

18. In Advisory Opinion 1995-25, which was requested by the RNC itself, the Commission considered proposed television advertisements intended to gain popular support for the Republican position on given legislative measures, "and thereby influence the public's positive view of Republicans and their agenda." The Commission ruled that the role of these advertisements, advocating the party's legislative agenda, is "one aspect of building or promoting support for the party;" that the costs of such communications should be characterized as either administrative or generic voter drive costs under the Commission's rules; and that such costs must therefore be allocated under 11 C.F.R. § 106.5(b)(2), requiring, in presidential election years, 65% payment from the RNC's federal account. (A.O. 1995-25, pages 4-5).

19. The GOP-TV Convention programs are clearly RNC communications aimed at "building or promoting support for the party," (A.O. 1995-25). Thus, under that Advisory Opinion, the costs of these programs must be allocated 65% to the RNC's federal account.

20. As noted above, the San Diego Convention and Tourist Bureau, doing business

under the name San Diego Convention and Visitors Bureau, is a corporation. By accepting a \$1.5 million in-kind contribution from a corporation for 100% of the costs of the GOP-TV broadcasts, the RNC has accepted illegal corporate contributions in violation of 2 U.S.C. § 441a(f), 11 C.F.R. §§ 102.5, 106.5(a) and (b), 110.9(a) and 114.2.

21. Commission rules permit a separate fund or account of a government agency or municipal corporation to pay for certain Convention expenses. 11 C.F.R. §§ 9008.8(b)(2) and 9008.53. There is no indication of whether the San Diego Convention and Tourist Bureau qualifies as such a fund or account.

22. Even if the San Diego Convention and Tourist Bureau did so qualify, however, the costs of the cable television time are not Convention-related expenses for which such a fund could pay under 11 C.F.R. § 9008.52 and 9008.53. And even if the costs of the cable television time were a legitimate Convention expense, the Bureau's funding of the costs of the cable television time would still be clearly unlawful. The Commission's rules prohibit such government agencies and municipal corporations from receiving contributions from corporations which are earmarked for any particular purpose, that is, contributions which are "solicited or designated for use in connection with any particular convention, event or activity." 11 C.F.R. § 9008.53(b)(1)(ii).

23. In this case, the San Diego Convention and Tourist Bureau received a \$1.3 million contribution from Amway Corporation which was specifically earmarked for purchasing the costs

of the cable television time for the GOP-TV Convention programs. Thus, the RNC and the Bureau cannot avail themselves, in any event, of section 9008.53 of the Commission's regulations.

24. The RNC's violations of the Act and the Commission's rules were knowing and willful. The RNC deliberately solicited a contribution from Amway to the San Diego Convention and Visitors Bureau, and knowingly arranged for the Bureau to pay for the costs of the cable television time using these earmarked funds and Bureau's own corporate funds.

CONCLUSION

For the reasons stated above, the Commission should:

- find reason to believe that the RNC has knowingly and wilfully violated the Act and the Commission's regulations, specifically, 2 U.S.C. § 441a(f), 11 C.F.R. §§ 102.5, 106.5(a) and (b), 110.9(a) and 114.2;
- impose appropriate civil penalties for such violations; and
- take any other actions necessary to prevent further violations of the law.

I hereby affirm that to the best of my information and belief the foregoing is true and correct.

Respectfully submitted,

Democratic National Committee

By: Donald L. Fowler

Donald L. Fowler

National Chair

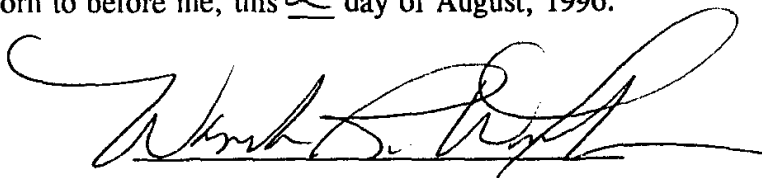
CITY OF WASHINGTON)

)

SS:

DISTRICT OF COLUMBIA)

Subscribed and sworn to before me, this 2 day of August, 1996.



Notary Public

My commission expires: October 31, 2000

99-04-391-0468

EXHIBIT 1

Copyright 1995 The Washington Post
The Washington Post
April 24, 1995, Monday, Final Edition

SECTION: A SECTION; Pg. A04

LENGTH: 1013 words

HEADLINE: Leading the Political Communications Race, As Republicans Build On Electronic Experience, Democrats Acknowledge a Need to Catch Up

BYLINE: R.H. Melton, Washington Post Staff Writer

BODY:

Lamar Alexander was in Maine, Paul Weyrich was in Detroit, and the star of the show was far away in rural Georgia. But on that May morning five years ago, those three Republicans opened a new era in electronic politics with a televised town meeting that satellites shot to 550 locations around the country.

Today, Alexander has a presidential campaign with one of the most sophisticated computer operations in the land, down to the laptop model the candidate himself lugs around. Weyrich presides over a new 24-hour TV network that during peak times is beamed into 17 million homes. And the host from five years ago? Rep. Newt Gingrich of Georgia is now speaker of the House, blazing GOP trails through cyberspace.

Led by Gingrich and a cadre of young computer experts in Washington, national Republicans are building on their pioneering experiment of 1990, exploiting new technologies and beating the Democrats in the race to communicate with millions of voters, according to leaders of both parties.

Scrambling to catch up, Democrats have just launched a new, long-term program designed to put their electronic outreach on an equal footing with the GOP by the turn of the century.

"They really are years ahead," said Senate Minority Leader Thomas A. Daschle (D-S.D.), who is coordinating an effort to upgrade the Democrats' multi-pronged message machine. "I wouldn't want anybody to think that in a matter of months or one session of Congress we can catch up."

Although President Clinton's campaign proved quite adept at using technology to reach voters in the 1992 campaign, Republicans have taken the lead in recent years by moving aggressively on every communications front. "Blast" faxes that can reach 300 people in two hours, addresses on the Internet, satellite speeches to out-of-town conventions and radio "bridges" that span the country on fiber-optic cables are just a few of the weapons in the GOP arsenal.

The Republican National Committee, for instance, boasts a \$1.7 million television studio in the basement of its Capitol Hill office, funded by a \$2.5 million donation from Amway that also paid for its first year of operation. RNC Chairman Haley Barbour jokingly calls the state-of-the-art facility of cameras, sets and control rooms "my toys," but the game is deadly serious.

"I came in here with the idea we had to learn how to take advantage of every

potential avenue to reach the voters," Barbour said. "The big change is that the telecommunications revolution has given power to the recipient of news. ... He can hear it unfiltered."

The RNC uses its studio to tape a daily, 15-minute news "feed" to 750 television affiliates and news services around the country and to produce a weekly news magazine show called "Rising Tide" that runs on 2,000 cable systems. The committee has also had an outlet for the past 14 months on the CompuServe on-line service, called "Republican Forum," which customers have used 100,000 times to download information. The RNC will get its first address on the Internet in three weeks, officials said.

Last year, the electronic nerve center enabled Republican congressional candidates to tape radio and TV interviews for hometown stations and provided a platform this year for Gingrich and his lieutenants to help maintain momentum for passage of their "Contract With America" legislative agenda.

Gingrich has long been his party's leader in understanding the partisan possibilities of emerging technologies. He devised the teleconference in 1990 and as chairman of GOPAC, a national political action committee, spent \$ 750,000 to produce it. Jeffrey A. Eisenach, a Gingrich protege who was in the control booth in Georgia that day, recalled that Gingrich and others felt they were on the verge of something big.

"I don't think anybody at that point understood the Internet or understood the connected computing and that whole piece of it," Eisenach said. "But in terms of the use of satellite television as a mass organizing tool, we definitely understood that. And in terms of the broader sense of having explored using technology to get the message out, there was a pretty clear understanding that we had pioneered something that was new and important."

Gingrich has taken advantage of every medium he can find, "narrowcasting" his messages to small industry and voter groups and reaching far larger audiences through radio. His speeches are available on cable television, videocassettes and audiotapes, and in many of those he tells listeners how to reach him by mail, fax and CompuServe.

"We try to use every rung of the ladder," said Tony Blankley, Gingrich's press secretary.

Leaders of both parties say that as vital as the technology may be, the substance of one's message is still most important. There is also some agreement that Republicans have had a clearer message and done a better job of coordinating to transmit it.

Daschle, who has created a Technology and Communications Committee as part of the Senate's Democratic leadership, said one of his priorities is to coordinate the party's different messengers as the Republicans have. On several occasions under Barbour, the GOP has shown a skill for weaving together its political message, legislative strategy and fund-raising appeals; Daschle said Democratic

entities -- the White House, the national committee, members of Congress and their respective campaign organizations -- must also pull together.

"We haven't organized ourselves," he said. "We can learn from things they're doing."

Daschle met this week in California with Silicon Graphics, an electronics industry leader, and is preparing a budget for a communications infrastructure to rival the RNC's. The Democrats' studio in Washington hasn't changed in 15 years, he observed.

"It might cost \$ 50 million between now and the end of the decade to get it up and running," Daschle said. "We've come to the realization that if we don't do it, we're never going to be able to compete. It's inevitable, or equally inevitable that we won't win."

LANGUAGE: ENGLISH

LOAD-DATE: April 24, 1995

2025 RELEASE UNDER E.O. 14176

Copyright 1995 Chicago Tribune Company

Chicago Tribune

November 20, 1995 Monday, NORTH SPORTS FINAL EDITION

SECTION: TEMPO; Pg. 7; ZONE: C; Television.

LENGTH: 655 words

HEADLINE: BROADCAST VIEWS;

GOP-TV LOOKS TO 'TALK TO THE TROOPS,' GET OUT THE REPUBLICAN MESSAGE

BYLINE: By Stephen Seplow, Knight-Ridder/Tribune.

DATELINE: WASHINGTON

BODY:

The House of Representatives had barely completed voting earlier this month on its sweeping proposal to balance the budget and cut the growth in Medicare expenditures when Rep. Bob Franks (R-N.J.) hustled to a television interview about the bill.

Franks, a member of the Budget Committee, was not going to appear with Peter Jennings or Dan Rather. Nope, he was going to be interviewed by an anchor few have heard of. And he was glad to do it. "I'm trying to do something for the cause," he said.

The anchor was Haley Barbour, chairman of the Republican National Committee. The show: "Rising Tide."

Unlike the usual news shows, this one is really a piece of propaganda with a very partisan mission: To promote the Republican Party and keep the faithful enthusiastic. And it is available in 55 million households through various cable systems.

"Rising Tide" is one of three ways that the Republican Party is sending out its message to America on GOP-TV, a 2-year-old operation with a new \$2 million studio at Republican National Headquarters on Capitol Hill. There is no comparable Democratic effort.

"We leapfrog the networks," said Barbour, 47, an affable, moon-faced Mississippian. "We leapfrog the media elites, and we talk directly to people. . . We have created a mechanism for people to get their information unfiltered. Part of our whole deal is to take technology and use it to involve people in our party.

Barbour's show, the "Monday Night Football" of GOP-TV, is smartly designed to look like any other news-and-interview show, with well-produced quasi-news reports from around the country about Republican achievements, a six-minute GOP news review, and calls from viewers.

Typical of the "news reports" was a recent piece on Montana and its governor, Marc Racicot. "The character of the average Montanan," said "reporter" David Thibault, is "a rugged individualist, who lives clean, works hard and believes government serves best that serves least." Thibault went on to refer to "Clinton's environmental war on the West."

The party pays to have the show put on, although in some cases it has found independent sponsors. Despite the program's mimicry of standard news and interview formats, the GOP-TV logo at the bottom of the screen and a "GOP-TV" banner behind Barbour proclaim the show's intentions.

The hourlong program is shot Thursday evenings and made available via satellite.

With the revolution in communication technology, Barbour said, "the viewer chooses what he or she wants to see.

"We created GOP-TV knowing that there was a technological opportunity and thinking that this was a way to talk to our own troops. If we had a high-quality production, we would start winning viewership out of the general public. Even if it was just a way to talk directly to our own troops, it was a huge plus."

One official at Democratic National Headquarters whose job is to help sell his party said: "They are completely message driven. They know what they want to do, and they do a good job. It's slickly put together."

In addition to the Barbour show, GOP-TV has two camera crews covering Republican news conferences and roaming the capital to create a daily 15-minute "news feed" that is sent out on satellite at 2:30 p.m. and is available to virtually any station in the country.

A station may use any portion of the feed; most look for opportunities to show their local congressmen.

"Our target is the smallest 100 markets" that cannot afford reporters in Washington, said Patrice Geraghty, executive producer of GOP-TV, who was hired away from Fox News in 1993 to build the Republican television network.

The third application of GOP-TV comes when Republican congressmen make use of its studios to do "live at 5" interviews with their hometown stations. The legislators pay about \$250 for a 15-minute window, enough time to be queried by three stations.

GRAPHIC: PHOTOPHOTO: Haley Barbour, chairman of the Republican National Committee, hosts a program on GOP-TV. Reuters photo

LANGUAGE: ENGLISH

LOAD-DATE: November 20, 1995

EXHIBIT 2

44-394-0474



RNC NEWS RELEASE

Haley Barbour
Chairman

Evelyn W. McPhail
Co-Chairman

FOR IMMEDIATE RELEASE
July 24, 1996

CONTACT: Mary Mead Crawford
(202) 863-8550

1996 REPUBLICAN NATIONAL CONVENTION TO TELEVISE COVERAGE **Statement by Republican National Committee Chairman Haley Barbour**

The stakes of this year's elections are enormous. Americans will choose between two very different directions for our country. They will decide whether we push power and money away from Washington, D.C., and back to the people in their states and communities, or whether we remain mired in the big-government status quo, where bureaucrats decide how to spend more and more of the hard-earned money of working families.

With stakes this high, it's crucial that the American people be well-informed about each party's vision for the country, and that they be armed with the facts.

To that end, we have launched a history-making effort, offering families coast to coast in-depth, extensive coverage and a true insider's view of our national convention in San Diego by televising it ourselves. We want our convention to be participatory, to connect with the country by involving and reaching many more people than just those gathered inside the convention hall in San Diego. We want to be sure the American people have the opportunity to partake in the celebration of Republican ideas and achievements that will be our convention. We want to offer the American people this opportunity to learn more about the Republican Party and Bob Dole -- and where we would lead the country.

The 1996 Republican National Convention will be the unconventional convention -- a festival of Republican ideas presented in shorter and fewer speeches, drawing on technology to involve and highlight people beyond the walls of the convention hall. Produced by the Convention Committee on Arrangements and brought to viewers by the San Diego Convention and Visitors Bureau, our coverage will be as unconventional as the convention itself.

For viewers who want it "straight from the horse's mouth" rather than interpreted and analyzed for them, our convention coverage is the answer. Viewers will hear directly from the party's leaders, rising stars and grass-roots activists, as well as from many of the people who help make San Diego a spectacular host for this historic convention. Our convention will be issue-oriented, focused on a discussion of the issues most important to the American people, and our coverage will bring that discussion into millions of households across the country.

--more--

As part of our unconventional coverage, viewers will be introduced to our celebration of Republican ideas and achievements by some of the leaders behind those ideas. I am delighted to have with us today some of the outstanding leaders in our party who will play an active role in our coverage as our own broadcast talent: Congresswoman Jennifer Dunn from the great state of Washington, Congressman J.C. Watts of Oklahoma, Congressman Henry Bonilla of Texas, and Joe Galli, chairman of the College Republicans. Now, this is a broadcast team any network would envy!

These leaders bring a unique credibility to the task of reporting on the Republican convention. Not only are they knowledgeable about the ideas our convention will showcase -- Jennifer, J.C. and Henry have been directly involved in developing those ideas and proving they work! They won't be addressing the concerns of families from the removed perspective of a reporter who lives in Washington or New York -- they'll talk about them from their hometown perspectives. As the leader of our nationwide network of College Republicans, Joe Galli can speak from first-hand experience about the challenges confronting our nation's young people and encourage greater involvement in the electoral process among our newest voters.

Of course, another plus for viewers of our coverage is our unlimited access, which will allow us to offer viewers an unprecedented insider's perspective. In addition to gavel-to-gavel coverage of the festival of Republican ideas being featured in the convention hall, our convention coverage will introduce viewers to men and women across America who have put those Republican ideas to work to make their communities better places to live.

We want to take every step to make the viewer feel part of our convention, and introducing them to the city of San Diego is an important part of that. Through our coverage, viewers will see much more than the convention hall. We'll take them around the city, introduce them to some of the people who make San Diego tick, and expose them to the sights and sounds of our wonderful host city, the First Great City of the 21st Century.

Our coverage will bring the convention into the homes of millions of Americans across the country. It will be aired on two "must-carry" cable channels, The Family Channel and USA Network, which means it will be available in every American household with cable television; about 65 million.

Every evening, August 12-15, at 9:00 p.m. Eastern time, we will begin live coverage of the convention, as it unfolds. Viewers can tune into The Family Channel for gavel-to-gavel coverage until 11:00 p.m. Monday through Wednesday. On the closing night of the convention, August 15th, we'll broadcast from 8:00 Eastern time until midnight. On Friday, August 16th, we'll broadcast one hour of wrap-up coverage, from 9-10 p.m. Eastern time. The nightly convention coverage also will be broadcast live on NewsTalk Television's *Open Forum* program.

--more--

Every morning from 7:00-7:30 a.m. in the Eastern and Pacific time zones, our *Sunrise* convention coverage will be broadcast on USA Network, the highest-rated cable network for six years running. Coverage will include a recap of convention proceedings from the night before, as well as a look ahead to that night's highlights.

Traditionally, the parties' national nominating conventions have been the key opportunity for the American people to begin the process of making a well-informed choice. Through our convention coverage this year, we want to expand that opportunity by providing very direct access to our party's leaders and very extensive discussions of our party's ideas to Americans coast-to-coast.

##

**The 1996 Republican National Convention
presents**

The Unconventional Convention

The Republican National Convention will make history August 12-16, offering the American people an insider's view of the convention through extensive nationwide television coverage.

Unconventional coverage

The 1996 Republican National Convention promises to be an unconventional convention. Produced by the Convention Committee on Arrangements and brought to viewers by the San Diego Convention and Visitors Bureau, the convention's coverage will be as unconventional as the convention itself.

For viewers who want it "straight from the horse's mouth" rather than interpreted and analyzed for them by "expert" inside-the-beltway political pundits, the convention's coverage is the answer. Viewers will hear directly from the party's leaders, rising stars and grass-roots activists, as well as from many of the people who help make San Diego a premier host for this historic convention.

Party leaders such as RNC Chairman Haley Barbour and U.S. Reps. Jennifer Dunn, J.C. Watts and Henry Bonilla will serve as "reporters," introducing viewers to the ideas being showcased through the convention, and the people behind those ideas in communities across the country.

Unconventional access

Unlimited access to convention participants and facilities will offer viewers an unprecedented insider's perspective. In addition to gavel-to-gavel coverage of the "festival of Republican ideas" being featured in the convention hall, the convention's coverage will introduce viewers to men and women across America who have put those Republican ideas to work to make their communities better places to live.

Unconventional connection

The convention's coverage will be aired on two "must-carry" cable channels, The Family Channel and USA Network, bringing the convention into every American household with cable television -- that's 65 million households.

Every evening at 9:00 p.m. EDT, the convention will begin its live coverage, as the convention unfolds. Viewers can tune into The Family Channel, the highly-rated family-oriented entertainment network, for gavel-to-gavel coverage until 11:00 p.m. Monday through Wednesday, August 12-14. On the final night of the convention, August 15, **Unconventional Convention** coverage will be broadcast from 8:00 p.m. Eastern time to midnight. On Friday, August 16, the convention will broadcast one hour of wrap-up coverage, from 9:00-10:00 p.m. Eastern time. The nightly convention coverage also will be broadcast live on NewsTalk Television's *Open Forum* program.

Every morning, August 12-16, from 7:00-7:30 a.m. Eastern and Pacific times, the convention's *Sunrise* coverage will be broadcast on USA Network, the highest-rated cable network for six years running. Coverage will include a recap of convention proceedings from the night before, as well as a look ahead to that night's highlights.

To find out what channel to tune to in your local viewing area, call 1-800-GOP-NEWS.

HALEY BARBOUR PRESS CONFERENCE

CONTACT: SALLY GOULD -- phone (202) 479-5109

Date: July 24, 1996

Location: RNC Congressional Club

Sponsored By: RNC

Political Leaders Present: Haley Barbour, Reps Henry Bonilla, Jennifer Dunn, J.C. Watts and Joe Galli of the College Republicans.

Press conference gave details on planned GOP TV coverage of their convention;

PRIMETIME: Family Channel

9-11pm Mon-Wed;

8pm-midnight Thursday;

9-10 Friday

Cost: \$1.3 million.

MORNING: USA

7-7:30am each day

Cost: \$125,000

[Live on Newstalk TV-- \$110,000]

ALL AIRTIME IS BEING PAID FOR BY THE SAN DIEGO VISITORS BUREAU, NOT THE RNC OR THE COMMITTEE ON ARRANGEMENTS. Cost of coverage production will be shared.

Barbour stressed that airtime is being provided at standard rates, but admits the Family Channel was the only cable channel willing to sell its primetime. The RNC approached all of the 'must-carry' cable stations to ask to buy the primetime coverage, but were turned down.

2 promo spots were previewed: one for USA, one for the Family channel. Both showed shots of San Diego, and were not distinctively partisan.

Convention will be covered by a GOP reporting team -- Bonilla, Dunn, Watts and Galli -- who will be on the floor interviewing grassroots party workers. The 4 will be responsible for providing an "unfiltered message" to viewers.

So why not just C-Span?

According to Barbour, C-Span has historically had a policy of not showing video created by someone else. And a lot of the convention will be via outside video being shown in the convention hall.

OTHER NOTES

- Buchanan has been invited to the convention, but program decisions have not yet been made.
- Convention will be issue-oriented. Issues Barbour specifically mentioned; Welfare-Wisconsin plans; taxes; drugs.
- RNC will have a presence in Chicago, at the usual level. They are not planning to disrupt or protest (as are the unions and certain homosexual organizations in San Diego).
- Networks will have the access in San Diego that they are usually allowed in conventions. But GOP team will have better access.
- Barbour has nothing to say about VP choice.
- Platform committee proceedings will not be covered on USA or the Family Channel, but will be covered by normal GOP-TV.

Attachments:

Tape: available on request.

Materials: see attached releases

UNPRECEDENTED.



GOP-TV's COVERAGE OF THE 1996 REPUBLICAN NATIONAL CONVENTION LIVE FROM SAN DIEGO, CALIFORNIA ON THE FAMILY CHANNEL AND USA NETWORK

*GOP-TV takes you where no network news can go...behind the scenes
of the Republican National Convention for an exclusive look at
the people and players on the road to victory.*

★ PROGRAM SCHEDULE ★



Every Morning,

Monday, August 12 - Friday, August 16, 7 a.m. ET/PT

Wake up to the GOP's best and brightest. A daily guide to each night's powerful action on the convention floor. Plus an insider's look at the parties and the personalities. See the Grand Old Party in a Brand New Way!



Every Night,

Monday, August 12 - Friday, August 16, 9 p.m. ET (5 PT)

***Special Edition Thursday, August 15, 8 p.m. ET**

News, color and analysis from the Republican Party's commentators live from the convention floor and GOP-TV's Skybox. Plus, we'll join Haley Barbour for unprecedented access backstage.

Call 1-800-GOP-NEWS for more information on GOP-TV's Unconventional Convention

2040 "163" 40" 66
99 "04" 391 "0482

EXHIBIT 3

EXHIBIT 3

GOP Will Broadcast Its Convention on Family Channel

Cable Station Owned by Televangelist Robertson to Air Coverage in 11 Hours of Prime Time

By Ruth Marcus
Washington Post Staff Writer

The Republican Party is planning to broadcast its own prime-time coverage of the GOP convention next month on televangelist Pat Robertson's Family Channel, according to convention planners and Family Channel officials.

The sources said the Republicans' television operation, called GOP-TV, will air 11 hours of convention cov-

erage on the Family Channel. Robertson and his son Timothy hold a controlling interest in International Family Entertainment, which owns the channel. Robertson is also the founder of the Christian Coalition, the grass-roots conservative organization that has become a powerful force in Republican politics.

Paul Manafort, in charge of convention planning, said Republican National Committee Chairman Halley Barbour decided the party should

broadcast its own convention coverage because he was "concerned" that network coverage would be limited to prime time.

"Now they can tune in the Family Channel and see the full convention," Manafort said. "It's going to be another network covering the convention but covering the full convention. Our stalwart supporters will watch and maybe some of the swing people."

The programming will run during

the hours that the Family Channel normally broadcasts reruns of Rescue 911 and the 700 Club, the daily television show hosted by Robertson.

Some Robertson opponents were critical of the GOP's decision to buy time on the Family Channel.

"It's just wrong that the Republicans would rely on a TV station owned by Pat Robertson to get their message out," said Jill Hanauer of the Interfaith Alliance, a group that has been highly critical of Robertson and the Christian Coalition. "Frankly, with everything that Bob Dole is trying to do to reach out to mainstream Republicans, this seems a slap in the face to that."

Matthew Freeman, research director of People for the American Way, said the decision to purchase time on the Family Channel was "a shrewd political strategy to get their unfiltered message to an audience that is presumably largely conservative."

But, he added, "It's mighty convenient that the money is going to be flowing to the business side of a political empire that is entirely supportive of their cause. Some of these profits are going to end up back in Pat Robertson's pocket, I presume, and in turn will end up in the Christian Coalition working to help support their candidates. It's money going in one big circle and along the way they get their message out to a sympathetic audience."

Tele-Communications Inc., the cable company that owns a minority stake in the Family Channel, has also been a major GOP donor. It gave \$250,000 this year to the Republican National Committee.

RNC communications director Edward Gillespie dismissed criticism of the GOP-TV deal. "By that reckoning, the Democrats shouldn't buy time on ABC, which is owned by Disney, because [Disney Chairman] Michael Eisner is a big contributor to the Democratic Party," he said. "That's just a silly partisan argument, made by a liberal special interest group."

Barbour is scheduled to detail the GOP's plans for convention coverage at a news conference today. Gillespie said the RNC is not paying for the effort but declined to say what it will cost or how it is being financed. Anne Garvin, director of communications for the convention, said she did not know whether the convention is paying the GOP-TV costs.

The GOP programming will run from 9 to 11 p.m. on the East Coast, during the first three nights of the convention, 8 to midnight the fourth night and 9 to 10 for a wrap-up the night after, said a Family Channel spokesman. It will feature Barbour and members of Congress, including Reps. J. C. Watts (R-Okla.), acting as floor reporters and commentators.

With 10,555 affiliates and 64 million subscribers across the country, the Family Channel is the 11th-largest cable network in the country, according to the National Cable Television Association.

The GOP is also buying time on the USA Network from 7 to 7:30 a.m. five days the week of the convention, according to USA Network spokesman Dan Marquese. The network's regular programming during that time slot is the "Cartoon Ex-

WFP 7-24-96

2

Firm Gives \$1.3 Million for GOP Convention Broadcast

By Ruth Marcus
Washington Post Staff Writer

An unnamed corporate donor has put up \$1.3 million to help the Republican Party broadcast coverage of its convention next month on Christian Coalition founder Pat Robertson's Family Channel.

Democratic Party lawyers yesterday challenged the arrangement, saying it appears to violate federal election law prohibiting corporations from paying for party communications. Republican officials said the plan is legal.

Republican National Committee Chairman Haley Barbour came up with the idea of the party producing its own convention coverage in order to get its message out "unfiltered" and to have more extensive coverage than the networks will provide.

He announced yesterday that the \$1.5 million cost of buying five nights of air time on the Family Channel and NewsTalk Television, as well as a half-hour morning program on USA Network, was being paid not by the Republican Party but by the San Diego Convention and Visitors Bureau.

When contacted by a reporter, a spokesman for the taxpayer-funded visitors bureau said it had been approached by a corporation, which he declined to name, before Barbour's announcement and given \$1.3 million to pay for the broadcast.

Sal Giannetta, vice president of community relations for the bureau, said the donor company was not in a hospitality-related business but has a "presence" in San Diego. He said the donor was not solicited. Giannetta described the program—see GOP, A8, Col. 1

THE WASHINGTON POST

THURSDAY, JULY 25, 1996 A9

CAMPAIGN '96

Democrats Challenge Firm's Funding of GOP Convention Broadcast

GOP From A1

San Diego and said bureau lawyers had determined that having it pay for the air time was legal. He said the corporate contribution would eventually be reported to the Federal Election Commission.

But Democratic election lawyers immediately questioned the plan. "I've got a big problem with that," said Joseph Sandler, general counsel of the Democratic National Committee.

The visitors bureau, he said, is "like any other corporation. They're

not permitted to pay outright for party communications. I just don't see the theory under which they could do it any more than we could go to the Washington, D.C., visitors bureau and say, 'Put on this concert for us.' I don't see the theory that this is not an outright illegal corporate financing of a party communication."

After learning that the enterprise was being funded with a corporate contribution, Sandler said, "The fact that there's corporate money being earmarked through it [the convention bureau] only emphasizes the problematic nature of this."

David Norcross, RNC general counsel, said it was legitimate for the visitors bureau to spend the money to promote its city. "One of the ways to sell yourself is to put the convention on the air," he said. "We're happy, the cause of free electoral discourse ought to be enhanced and San Diego gets a great opportunity to sell themselves."

Barbour, unveiling the novel plan to have the GOP broadcast its own prime-time coverage of the convention, said the party's convention committee will pay most of the cost of producing the programming. The broadcast, featuring com-

mentary and "reporting" by members of Congress and others, will air nightly on the Family Channel, whose majority owners are Robertson and his family, and on NewsTalk Television. The GOP also is producing a half-hour of convention programming to air each morning on the USA Network.

"We're not claiming to be a network," Barbour said. "We're very upfront about the fact that this is the Republican convention televising itself." He described the effort as a "celebration of Republican ideas and achievements."

He said the Family Channel was

the only major cable system willing to sell such extensive prime-time air time. A Family Channel spokeswoman said the cable network offered a similar arrangement to the Democrats, who have no plans to provide their own broadcast.

Barbour said the overall effort will cost "several" million dollars. The party's convention committee receives \$12 million in public funding. The San Diego Convention and Visitors Bureau is a nonprofit corporation with an annual budget of \$9.4 million, most of which comes from the city's hotel tax, according to spokeswoman Anne North.



HALEY BARBOUR
... won't "unfiltered" GOP message

Family Channel to show GOP gavel-to-gavel

By Stephen Seplew
INQUIRER STAFF WRITER #2

Determined to present next month's Republican convention directly to the public — without analysis from David Brinkley or interpretation from Dan Rather — the Republican National Committee has reached agreement with the Family Channel for gavel-to-gavel coverage.

"For viewers who want it straight from the horse's mouth rather than interpreted and analyzed for them, our convention coverage is the answer," Republican National Chairman Haley Barbour said yesterday in announcing the arrangement with the cable station.

"This will be unfiltered," added Mary Mead Crawford, press secretary for the RNC. "Then it's up to the viewers to decide. They can draw their own conclusions."

For the Family Channel, the convention, to be held in San Diego Aug. 12-15, is being treated as one long ad, with time being sold to a sponsor — the Republican Party — to use as it wishes.

The time is actually being paid for by the San Diego Convention and Visitors Bureau as a way to promote the city.

"We'll show the parties, the zoo, the waterfront, and we'll be able to show off San Diego that way," said Reint Reinders, head of the bureau. Reinders said the bureau was paying \$1.3 million to sponsor the coverage from 9 to 11 p.m. Eastern time on each of the first three nights of the convention and from 8 p.m. to midnight on the final night.

The bureau is also paying \$125,000 to the USA Network for a daily morning show from 7 to 7:30 that will review the events of the previous evening and preview what's to come.

Reinders said San Diego corporations and businesses were underwriting the expense. "This is all within the confines of election laws," he said. "We researched this at length."

The Family Channel, owned by Pat Robertson and run by his son, Tim, normally shows *Rescue 911* at 9 p.m. and *Robertson's 700 Club* at 10 p.m. Robertson, a 1988 GOP presidential candidate and founder of the Christian Coalition, agreed to be preempted, said Diane Lamen Powell, the Family Channel's vice president for corporate communications. Powell and Dan Marinissen, spokesman for USA Network, both said that comparable time would be made available to the Democrats if they want it for their Aug. 26-29 convention in Chicago.

Both the Family Channel and the USA Network are available in every home with cable, about 65 million.

The Republican National Committee, like the television networks, will have a TV booth in the convention hall. Its coverage will be hosted by U.S. Reps. J.C. Watts of Oklahoma, Jennifer Dunn of Washington and Henry Bonilla of Texas.

The coverage, in addition to the speeches and videos at the convention and discussion of the issues, will include interviews with delegates. All the reporting will be done by party officials or activists.

C-span also announced yesterday that it would provide gavel-to-gavel coverage of both party conventions. The major broadcast networks all say their coverage plans are flexible, but none is planning gavel-to-gavel coverage.

Philadelphia Inquirer
7-25-96

GOP Buys Time on Cable to Showcase Its Convention

■ **Television:** San Diego Convention and Visitors Bureau will pay \$1.5 million for air time on Family Channel and USA Network.

By ELEANOR RANDOLPH
TIMES STAFF WRITER

BIO

WASHINGTON—Fed up with dwindling network coverage of the political conventions, the Republican Party announced Wednesday it will air its San Diego gathering next month on televangelist Pat Robertson's Family Channel to show it "straight from the horse's mouth."

Republican National Committee Chairman Haley Barbour told reporters that along with using the Family Channel to provide an "unfiltered" version of the GOP's Aug. 12-15 convention, time has been purchased on the USA Network cable channel for morning previews of each night's events.

The \$1.5 million in television air time, which Barbour said was purchased at standard rates, will be paid for by the San Diego Convention and Visitors Bureau. Barbour said the bureau believes the telecasts will help promote San Diego.

Production and other related costs will be shared by the city's convention bureau and the GOP convention committee, he said.

"Our mission is to let people see the convention unfiltered," Barbour added, noting that political news is "interpreted and analyzed" by the regular media.

The Republican use of the two cable channels comes at a time when the non-cable networks are scaling back their live coverage of political conventions. However, viewers wanting to see the conventions still will be offered hours of coverage on other channels—C-SPAN, MSNBC and CNN all will have extended coverage of the weeklong festivities.

Such coverage appears at this point to be enough for the Democrats, who meet in Chicago Aug. 26-29 to renominate President Clinton. A spokesperson for the Democratic National Committee said Wednesday that the Party has no plans to buy extra time because "we think that the convention will be adequately covered by the press."

Barbour said a major reason for the Republican desire for additional coverage is that some of the all-news channels even refuse to air long videos that increasingly are part of the convention programs, arguing that such productions are really extended political advertisements.

The convention coverage on the Family Channel would use GOP leaders as broadcasters. They are to include Reps. Jennifer Dunn of Washington state, J.C. Watts of Oklahoma and Henry Bonilla of Texas, as well as Joe Galli, chairman of the College Republicans.

"Instead of having Eric Engberg [the CBS political commentator], you're going to have Joe Galli. Instead of having Katie Couric [of NBC's "Today" show], you'll have Jennifer Dunn. Instead of having Bryant Gumbel [also "Today"], you'll have J.C. Watts, and instead of having Dan Rather [CBS News anchor], you'll have Henry Bonilla," Bonilla said.

Barbour said these Republicans "won't be addressing the concerns of families from the removed perspective of a reporter who lives in Washington or New York—they'll talk about them from their hometown perspective."

There will be some aspects of the convention that might be missing from the GOP's take on its political extravaganza, such as news conferences from those protesting outside the convention site.

Details on a potential platform fight on abortion rights the week before the actual convention also isn't likely to appear on the GOP's show, Barbour acknowledged.

Republicans have said in recent days that they hope to turn their convention into a television spectacular, "a political variety show," as one GOP source put it. No speeches will be longer than 10 minutes, except for those by the nominees for president and vice president.

Barbour said that it was hard to determine how many viewers the convention would actually draw among the 65 million households that have access to Family Channel and USA cable. But he said the Republicans planned an advertising blitz to alert viewers about their version of the convention.

"We're telling people, don't get snookered by the networks," he said. "Get it straight from the horse's mouth."

ALSO IN WASHINGTON

If asked, Pa. governor may just say 'no' to Dole

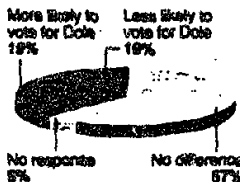
Pennsylvania Gov. Tom Ridge, suggested as a running mate for Bob Dole, may not accept the spot if offered, *Gannett News Service* reports. Ridge, 50, is said to be concerned about taking his children out of school to move and is concerned about the effect of the national media spotlight on his wife, Michele, daughter, Leslie, 10, and son Thomas Jr., 8. Dole and Ridge campaigned together in Pennsylvania on Wednesday, and were scheduled to meet again today, but it was not a vice presidential interview. The Dole campaign declined comment on Ridge's apparent misgivings.

His press secretary, Tim Reever, asked if Ridge had conveyed his concerns to Dole, said, "I don't know if he has detailed what his deliberations are. They're aware he's deliberating."

Meanwhile, a new poll casts doubt on how much help Ridge would be to the Republican ticket. The *Keystone Poll*, taken July 19-22 in Pennsylvania, found registered voters evenly split on whether he'd make them more likely or less likely to vote for Dole. Pennsylvania is a battleground state that has picked presidential winners since 1972, and one argument for Ridge as a running mate was to help Dole win the state's 23 electoral votes. But poll director Terry Madonna said, "Once you make up your choice about the presidential candidate, there is no evidence that people would vote for Bob Dole because of the vice president on the ticket."

Pennsylvania poll

Adding Pennsylvania Gov. Tom Ridge to the GOP ticket doesn't seem to improve Bob Dole's chances of winning that state, Dole trails President Clinton 55%-52% in Pennsylvania. How Ridge as a running mate would affect voters:



Source: Republican poll of 500 registered voters, conducted July 19-22 by Harrisburg University. By Mary E. Mathis, USA TODAY

CHENEY HELPS DOLE: Former Defense secretary Dick Cheney was named a senior strategic adviser to Bob Dole's campaign Wednesday, joining a list of Washington veterans who balance the campaign's less-experienced staffers. Dole campaign manager Scott Reed called Cheney one of the GOP's "most distinguished statesmen," who as President Bush's Defense chief was praised for directing the Persian Gulf war. Campaign aides didn't address speculation that Cheney, a six-term Wyoming congressman who is now chief executive officer of an engineering and construction company, is also being considered as a vice presidential candidate. "There's not a list to be on or off," campaign spokesman Nelson Warfield said. Cheney has a history of heart disease and Dole, who turned 73 Monday, has said that health would be a factor in choosing a running mate.

LIVE FROM SAN DIEGO: Republicans plan to produce their own TV coverage of their national convention next month. Convention reports will run from 9 to 11 p.m. ET on intercontinental Pan Hometown's Family Channel cable network and from 7 to 7:30 a.m. ET on the USA Network. Republican National Committee Chairman Haley Barbour says Republican members of Congress will act as reporters at the San Diego convention Aug. 12-15, and there will be a one-hour wrap-up the day after the convention ends. "Instead of having Dan Rather, you'll have Henry Bonilla," quipped Rep. Henry Bonilla, R-Texas, a former TV reporter. Barbour said the GOP wants to "show people our convention unfiltered." About 45 million cable subscribers will have access to the programming. The Democrats have no plans for similar programs. CSPAN also will cover the conventions. ABC, CBS and NBC plan one to two hours of nightly prime-time coverage.

VETS IN CONGRESS: Two members of Congress who served in the Persian Gulf war launched a group to look after the interests of military reservists. Reps. Paul McClellan, D-Pa., and Steve Buyer, R-Ind., said the Reserve Components Council will prepare a legislative agenda for the new Congress in January. Better training opportunities and benefits are among the items under consideration, they said.

NSAT 7-25-96

EXHIBIT 4

99-04-391-0404

FILEDIn the office of the Secretary of State
of the State of California

OCT 20 1954

FRANK M. KIDMAN, Secretary of State

By Ralph A. Manatt
Deputy**ARTICLES OF INCORPORATION**

OF

SAN DIEGO CONVENTION AND TOURIST BUREAU

232633

I

The name of this corporation is:

SAN DIEGO CONVENTION AND TOURIST BUREAU.

IX

The specific and primary purpose for which this corporation is formed is to advance, promote, encourage and foster the growth and development of the tourist and convention industries in the County of San Diego, State of California, and to engage in such activities and to perform such functions as may be incidental, proper or necessary for the furtherance of such purpose.

Restriction of right
to amend articles
20
205

III

The general purposes for which this corporation is formed are hereby declared to be:

1. To acquire property, both real and personal, by purchase, lease, gift, devise, bequest or otherwise, and to hold, invest, use, lease, operate, improve, develop, sell, convey or otherwise dispose of, and to mortgage or otherwise encumber the same, and in general and in every way to invest in, own and deal in and with personal property and real property, both improved and unimproved, all for the purposes herein set forth;
2. To incur indebtedness, and to issue bonds, debentures, notes, bills of exchange, and other obligations of this corporation from time to time for any of the purposes of the corporation, and to mortgage, pledge, hypothecate and convey in trust any or all of its property to secure the payment thereof;

3. To purchase, hold, sell, assign, transfer, mortgage, pledge or otherwise dispose of the shares of the capital stock, or any bonds, securities or evidences of indebtedness created by any other corporation or corporations, and while the owner of such stock, to exercise the rights, powers and privileges of ownership, including the right to vote thereon, all for the purposes herein set forth;

4. To enter into, make, perform and carry out contracts of every kind and for the purposes herein set forth, with any person, firm, association, or public, private or quasi-public corporation, or any municipality or any government, or any subdivision, district or department thereof;

5. To do any and all such other acts, things, business or businesses in any manner connected with or necessary, incidental, convenient or auxiliary to any of the purposes hereinbefore enumerated or calculated, directly or indirectly, to promote the interests of the corporation and the general public; and in carrying on and operating said business, to do any and all acts and things, and to exercise any and all other powers, which a co-partner or natural person could do or exercise, and which now or hereafter may be authorized by law, and in any part of the world;

6. To possess all the powers authorized and allowed to non-profit corporations under the laws of the State of California.

The foregoing clauses shall each be construed as purposes, objects and powers, and the matters expressed in each clause shall, except as otherwise expressly provided, be in no wise limited by reference to or inference from the terms of any other clause, but shall be regarded as independent purposes,

objects and powers, and the enumeration of specific purposes, objects and powers shall not be construed to limit or restrict in any manner the meaning of the general powers of the corporation, nor shall the expression of one thing be deemed to exclude another, although it be of like nature, not expressed.

IV

This corporation is organized pursuant to the General Nonprofit Corporation Law of the State of California and is formed solely and exclusively for non-profit purposes, and not for pecuniary gain or profit, and no pecuniary gain or profit shall ever inure into its business to any director or member of this corporation, or to any other person or corporation. The earnings, if any, of this corporation shall be used exclusively for the purpose for which this corporation is formed, as hereinabove described, and no part thereof shall ever inure to the benefit of any member or other individual or corporation. No member or director of this corporation shall have any personal, proprietary or beneficial interest in the property of this corporation, either during its corporate existence or upon its dissolution, it being hereby expressly provided that all properties acquired by the corporation, real or personal, and all increments, interests, or earnings thereof are and shall be devoted in perpetuity and irrevocably dedicated to non-profit purposes, and in the event of the liquidation, dissolution or abandonment of this corporation, its property will not inure to the benefit of any private person, but shall go to a fund, foundation or corporation organized and operated solely for non-profit purposes.

V

The County of San Diego in the State of California is the County in which the principal office for the transaction of the business of this corporation is to be located.

VI

The number of Directors of this corporation shall be not less than thirty-seven (37) nor more than forty (40). The names and addresses of the persons who are appointed to act as the first directors of this corporation are:

<u>Name</u>	<u>Address</u>
John Alessio	320 Broadway, San Diego, California
Anderson Bortowick	1007 Fifth Avenue San Diego, California
Marvin A. Brown	1302 First Avenue San Diego, California
Harry B. Callaway	640 Broadway San Diego, California
H. G. Dillin	1230 Brookes Terrace San Diego, California
Jack Brown	320 Broadway San Diego, California
Joseph E. Dryer	2825 Third Avenue San Diego, California
A. V. Engel	1240 Seventh Avenue San Diego, California
William Evans	998 Ventura Boulevard San Diego, California
Frank Forward	1028 Second Avenue San Diego, California
Ewart W. Goodwin	4520 Trias San Diego, California
Gordon Guiberson	7875 Hillside Drive La Jolla, California

<u>Name</u>	<u>Address</u>
Don Hanson	235 Broadway San Diego, California
Archie J. Hicks	84 East "F" Street, Encinitas, California
Richard I. Irwin	1132 Prospect La Jolla, California
Reggie C. Jensen	302 Sixth Avenue San Diego, California
Carlton Lichy	326 Broadway San Diego, California
Berle Mantel	715 "J" Street San Diego, California
Kenneth A. Nairne	3715 Anayllis Drive San Diego, California
Richard Nelson	1125 First Avenue San Diego, California
N. E. Patrick	209 Broadway San Diego, California
Robert C. Peterson	1105 Twelfth Avenue San Diego, California
Forrest M. Raymond	861 Sixth Avenue San Diego, California
Thomas W. Sefton	3935 Atascadero Drive San Diego, California
William Shea	917 Second Avenue San Diego, California
Ashton Stanley	Hotel Del Coronado Coronado, California
William Starr	9911 Puente Drive Grossmont, California
Russell Stewart	1101 "B" Street San Diego, California
S. M. Sullivan	5010 Hastings Road San Diego, California
C. W. Todd, Jr.	1144 Third Avenue San Diego, California

<u>Name</u>	<u>Address</u>
Frank Alessio	1858 Newton Street San Diego, California
E. Robert Anderson	919 Second Avenue San Diego, California
Calvin Flynn	4042 Thirtieth Street San Diego, California
Murray Hill	4685 - 35th Street San Diego, California
R. Sherman Platt	926 Bangor Street San Diego, California
Alan Price	304 National Avenue Chula Vista, California
John W. Quincy	525 1/2 Street San Diego, California
William Scroggs	3696 El Cajon Boulevard San Diego, California

VII

This corporation shall not have capital stock and its business shall not be carried on for profit.

VIII


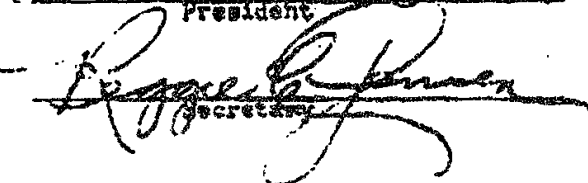
The members of this corporation shall consist of persons who shall from time to time become members in the manner provided by the By-Laws of this corporation, subject to all of the rights, duties, conditions and obligations of membership as provided in said By-Laws.

IX

The name of the existing unincorporated association which is being incorporated is SAN DIEGO CONVENTION AND TOURIST BUREAU.

IN WITNESS WHEREOF, for the purpose of forming this corporation under the laws of the State of California, the

undersigned, constituting the persons authorized to execute the Articles of Incorporation of SAN DIEGO CONVENTION AND TOURIST BUREAU, have executed these Articles of Incorporation this 7 day of October, 1954.

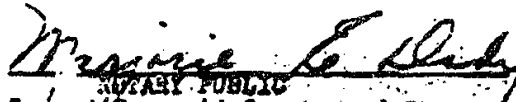

President

Secretary

STATE OF CALIFORNIA
County of San Diego ss.

On this 7 day of October, 1954, before me,
MARJORIE E. DUDY, a Notary Public in and for said

County and State, residing therein, duly commissioned and sworn, personally appeared KENNETH A. CAIRNE, President, and REGGIE C. JENSEN, Secretary, of SAN DIEGO CONVENTION AND TOURIST BUREAU, known to me to be the persons described in and whose names are subscribed to the foregoing instrument, and they acknowledged to me that they executed the same.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my official seal at my office in said County and State the day and year in this Certificate first above written.


MARJORIE E. DUDY
In and for said County and State.

My Commission Expires February 15, 1956

AFFIDAVIT

STATE OF CALIFORNIA }
County of San Diego } ss.

We, the undersigned, hereby affirm that SAN DIEGO
CONVENTION AND TOURIST BUREAU, an unincorporated associa-
tion, has duly authorized the incorporation of said
association, and has authorized the undersigned, as its
officers, to execute the said Articles of Incorporation.

Kenneth J. Cairns
Kenneth J. Cairns, President

Reggie J. Jensen
Reggie J. Jensen, Secretary

Subscribed and sworn to before me
this 7 day of October, 1934.

Marvin E. Davis
NOTARY PUBLIC
In and for said County and State.

My Commission Expires February 15, 1935

EXHIBIT 5

0540 "USE" 447" 6442

1ST DOCUMENT of Level 1 printed in FULL format.

***THIS DATA IS FOR INFORMATION PURPOSES ONLY. CERTIFICATION CAN ONLY BE OBTAINED THROUGH THE OFFICE OF THE ILLINOIS SECRETARY OF STATE ***

ILLINOIS SECRETARY OF STATE, CORPORATE RECORD

NAME: SAN DIEGO CONVENTION AND TOURIST BUREAU

TYPE: NOT-FOR-PROFIT CORPORATION

STATUS: GOOD STANDING

NOTE: Failure to timely file an annual report or pay franchise taxes may adversely affect a corporation's status. Review the "CURRENT TAX YEAR" information in the ANNUAL REPORT segment below.

DURATION: PERPETUAL

ANNIVERSARY MONTH: MAY

DATE OF INCORPORATION/QUALIFICATION: 05/21/1991

STATE OF INCORPORATION: CALIFORNIA

REGISTERED AGENT: ANGELA RANALLI

REGISTERED OFFICE: 625 N MICHIGAN AVE STE 529
CHICAGO, ILL 60611-3108
COOK COUNTY

LAST CHANGE IN REGISTERED AGENT: 04/21/94

ANNUAL-REPORT:	PREVIOUS TAX YEAR	CURRENT TAX YEAR
	1995	1996
DATE ANNUAL REPORT FORM MAILED TO CORPORATION:	03/11/95	03/16/96
DUE DATE OF ANNUAL REPORT:	05/01/95	05/01/96
DATE ANNUAL REPORT FILED:	04/28/95	
DATE FRANCHISE TAX PAID:	04/28/95	
DATE DELINQUENCY NOTICE MAILED:		06/15/96
TAX FACTOR:	0.000000	0.000000
TAX AMOUNT PAID:	\$ 0.00	\$ 0.00
ANNUAL REPORT CAPITAL:	\$ 0.00	\$ 0.00
ILLINOIS CAPITAL:	\$ 0.00	\$ 0.00

ASSUMED-NAME: SAN DIEGO CONVENTION & VISITORS BUREAU
TYPE: NOT-FOR-PROFIT ASSUMED
EFFECTIVE: 05/21/91
LAST RENEWAL: 1995

HISTORY: REGULATED BY ILLINOIS COMMERCE COMMISSION: NO

PURPOSE: CIVIC OR PATRIOTIC

ILLINOIS SECRETARY OF STATE, CORPORATE RECORD

PAGE 7

CORPORATION NUMBER: 56396926

CURRENT CAPITAL AND STOCK INFORMATION:

TAX CAPITAL: \$ 0.00

TOTAL CAPITAL: \$ 0.00

CALL LEXIS DOCUMENT SERVICES FOR ALL YOUR CORPORATE NEEDS. 800-634-9738

EXHIBIT 6

CAMPAIGN '96

Amway Says It Was Unnamed Donor To Help Broadcast GOP Convention

Democrats to File Complaint Alleging Illegal Corporate Contribution

By Ruth Marcus
Washington Post Staff Writer

Amway Corp., which has given millions of dollars to Republican causes, said yesterday that it is the unnamed corporate donor that gave the San Diego tourist bureau \$1.3 million to help air coverage of the GOP convention next month.

The Democratic National Committee said it would file a complaint with the Federal Election Commission accusing the GOP of accepting illegal corporate contributions.

Amway, which sells household products through distributors throughout the country, is a long-time supporter of the GOP. In 1994 Amway gave \$2.5 million—a record sum in recent American politics—to the Republican National Committee to pay for a new television studio and underwrite the first year of operation of GOP-TV, the Republican television operation that will be producing the convention coverage.

Amway founder Richard DeVos is also a backer of presumptive Republican presidential nominee Robert J. Dole. Dole last week attended a fund-raiser in Detroit to honor DeVos that raised \$3 million for Victory '96, the party's campaign to elect Dole and other GOP candidates in November. Dole sat with DeVos, who owns the Orlando Magic basketball team, at the Eastern Conference finals this year.

Republican National Committee Chairman Haley Barbour announced Wednesday that the GOP was going to produce its own convention coverage, to be aired on Pat Robertson's Family Channel. Barbour said he wanted to let viewers have an "unfiltered" look at the convention, one that would be a "celebration of Republican ideas and achievements."

Barbour said the party, through its convention committee, was paying most of the cost of producing the broadcasts, which also will be shown on two other cable networks. But he said the San Diego Convention and Visitors Bureau was picking up the \$1.5 million cost of purchasing the air time.

Officials at the Republican National

Committee and the convention bureau said it was legitimate for the bureau to pay for the air time because the shows also would help promote San Diego as a tourist destination. Sal Giametta, vice president of community relations for the convention bureau, said the group was soliciting corporate donations. He said it already had picked up \$1.3 million from a company that had approached it and volunteered to pay the costs.

Amway yesterday confirmed that it was the anonymous donor. In a statement last night, Amway said it "views this support as a public service and is proud to be a part of making this important event available to the American public."

RNC and Dole campaign officials defended the decision to have the funding done by Amway and other companies through the convention bureau.

"It is our understanding that this project has been approved by RNC counsel, and we support endeavors which seek to increase Americans' awareness of and involvement in the process of democracy," said Dole deputy press secretary Christina Martin.

RNC press secretary Mary Mead Crawford acknowledged that the RNC assessed potential contributors to the convention bureau.

"Lots of people knew that we were planning to do this and lots of people said, 'Gee, is there any way I can help?' And when the San Diego Convention and Visitors Bureau decided that they wanted to televise it, we told those people who were asking us, 'You might want to talk to the San Diego Convention and Visitors Bureau,'" she said.

Democrats argued that the money was an illegal corporate donation to promote the party's message and Dole's candidacy for president. "It's illegal and it's wrong," said DNC communications director David Eichenbaum. "What we're seeing here is a very large and illegal corporate contribution to the Republican Party in order to televise a series of commercials on Pat Robertson's TV station."

Campaign watchdog groups ac-

cused the RNC of essentially laundering a corporate donation through the visitors bureau.

Amway could have donated the money directly to the party. But under federal election law the RNC would then have had to dip into its pot of contributions from individuals to pay for part of the air time. The RNC is running short of such funds; its latest campaign spending report showed it had about \$260,000 in such cash when its debts were taken into account.

"It's a new way of laundering money," said Common Cause President Ann McBride.

"It's outrageous," said Charles Lewis, executive director of the Center for Public Integrity. "You have a private corporation laundering money through a quasi-public entity for partisan purposes. . . . It's a wink-and-nod exercise by the Republican Party, by the corporation involved and by this tourist bureau."

Amway has been the subject of investigations by the U.S. and Canadian governments. The Federal Trade Commission determined in 1979 after a probe that its multi-level marketing organization did not amount to an illegal pyramid scheme. But it did say Amway used misleading advertising about how much its distributors can make selling its household and consumer products. In 1986 Amway agreed to pay a \$100,000 civil penalty to settle FTC claims that it had violated the 1979 order by raising ads citing higher than average distributors' earnings.

In 1983, Amway pleaded guilty to defrauding the Canadian government by understating the value of goods it imported to Canada. It paid a \$20 million fine then and a \$38 million fine in 1989 to settle a related civil suit.

Staff writer Charles R. Babcock contributed to this report.

FOR MORE INFORMATION

To read a corporate profile of Amway Corp., click on the above symbol on the front page of The Post's World Wide Web site at <http://www.washingtonpost.com>

A18

Nation in Brief

Show on GOP convention gets funding from Amway

ASSOCIATED PRESS

WASHINGTON — Amway Corp. said yesterday that it had donated \$1.3 million to the San Diego Convention and Visitor's Bureau to help fund a Republican cable television show the party plans to produce and air during its convention.

The corporation, a longtime generous giver to the GOP, will be backing the show featuring rising GOP political stars as "reporters." Amway spokeswoman Kim Bruyn confirmed. The show will be carried Aug. 12 to 15 from San Diego on the Family Channel, owned by 1988 GOP presidential candidate Pat Robertson.

Democrats criticized the plan to use corporate and convention bureau funds for a political party operation. They argued that it appeared to violate federal election law prohibiting corporations from paying for party communications. But GOP Chairman Haley Barbour, who in announcing the television show plans had not revealed the behind-the-scenes corporate funding, defended the GOP use of San Diego convention authority dollars.

Amway Behind Money to Put GOP Convention on Cable TV

By TONY PERRY
TIMES STAFF WRITER

SAN DIEGO—Amway Corp. confirmed Thursday that it donated \$1.3 million so the Republican Party can provide "unfiltered" coverage of its convention next month on cable television, a plan Democrats intend to challenge before the Federal Election Commission as illegal.

Amway gave the \$1.3 million to the San Diego Convention and Visitors Bureau on the condition the bureau use it to purchase prime-time viewing hours on televangelist Pat Robertson's Family Channel during the GOP convention. The time will be used for party-coordinated coverage of the Aug. 12-15 convention, telecasts the Republicans are calling GOP-TV.

The Democratic National Committee charged Thursday that the arrangement was just a way to get around a federal ban on corporations buying television time for political parties. "This is a blatantly illegal contribution to the Republican National Committee," said spokeswoman Amy Weiss Tobe.

But Republicans insisted that since it was the convention and visitors bureau, not Amway, that paid the Family Channel, the arrangement is "perfectly appropriate."

"The Democrats are probably kicking themselves that they don't have the same opportunity (at their Aug. 26-29 convention in Chicago)," said Republican spokeswoman Mary Crawford.

Amway, the privately held Ada, Mich.-based company which sells 400 products and services worldwide, has long been a major contributor to the GOP. In 1994, Amway donated \$2.5 million to the Republican National Committee, the largest corporate political contribution in American history.

GOP-TV telecasts will include nightly coverage from the floor and friendly interviews with Republican leaders by Republican interviewers. This is the first time such coverage has been attempted.

Haley Barbour, chairman of the Republican National Committee, said the party's coverage will provide a view of the convention that is "unfiltered" by the networks.

Reint Reinders, the convention and visitors bureau president, said he views the GOP-TV coverage as "a wonderful way to showcase San Diego as an aggressive, next-century kind of city." He said he expects the political coverage to be mixed with "vignettes showing how beautiful San Diego is and what a wonderful family vacation spot we've become."

Amway decides to bankroll GOP convention cable show

Democrats cite \$1.3 million donation as possibly illegal

ASSOCIATED PRESS

Amway Corp. said yesterday it had donated \$1.3 million to the San Diego Convention and Visitors Bureau to help fund a Republican cable television show that the party plans to produce and air during its convention.

The Ada, Mich.-based corporation, a longtime generous giver to the Republican Party, will be backing the show featuring rising GOP political stars as "reporters," Amway spokeswoman Kim Bruyn confirmed.

The company will issue a more complete statement later, she said.

The show will air Aug. 12-15 from San Diego on the Family Channel, which is owned by 1988 GOP presidential candidate Pat Robertson.

Democrats immediately criticized the plan to use corporate and San Diego convention authority donations to pay for a political party operation. They argued that it appeared to violate federal election law prohibiting corporations from paying for party communications.

"Well, it is a contribution from a corporation, in this case a corporation partially financed by taxpayers that will go to pay for Republican infomercials," Democratic National Committee Chairman Don Fowler said yesterday on CNN. "It's clearly illegal."

The show will air Aug. 12-15 from San Diego on the Family Channel, which is owned by 1988 GOP presidential candidate Pat Robertson.

But GOP Chairman Haley Barbour, who in announcing the television show plans had not revealed the behind-the-scenes corporate funding, defended the GOP use of San Diego convention authority dollars.

"It's very appropriate for them to want to send this out to the American people and showcase San Diego," Mr. Barbour said. "We're tickled to death that they're doing it."

Amway, a leading "multilevel" marketer that uses independent distributors and part-time salespeople to sell household products, has a history of contributing heavily to the Republican Party, according to reports on file with the Federal Election Commission.

In April alone, the RNC's "soft money" accounts from unre-

stricted corporate and other donations garnered about \$5.7 million, according to the FEC. One of the two most generous givers was Amway, which donated \$250,000.

On Wednesday, Mr. Barbour held a news conference to announce that the San Diego Convention Center and Visitors Bureau would foot most of the air-time bill, giving \$1.3 million to the Family Channel and \$125,000 to the USA network. But he didn't mention any corporate sponsors.

The Washington Post, in its editions yesterday, reported that a then-unnamed corporate donor was picking up the tab. A spokesman for the visitors bureau told the paper that it had been approached by a corporation and offered the \$1.3 million.

The GOP show will air commercial-free from 9 to 11 p.m. EDT from the San Diego convention site, and will also be seen on the USA cable network from 7 to 7:30 a.m. EDT weekdays. Both channels are among the most-common cable channels available, with a combined audience of 65 million households, Mr. Barbour said.

Featured programming will include live interviews with party leaders and grass-roots activists, as well as people from San Diego who are helping with the convention, he said.

SAN DIEGO

Amway underwrites GOP-TV

By Gerry Braun

STAFF WRITER

July 26, 1996

Amway, the mammoth direct-sales company and a major donor to conservative causes, is the source of the \$1.3 million the San Diego Convention and Visitors Bureau will use to underwrite nightly television coverage of the Republican National Convention.

The Michigan-based company announced its role in the unusual funding agreement yesterday, prompting the Democratic National Committee to suggest that the worldwide distributor of cleaning products was laundering campaign funds.

A spokesman for the Democrats said party attorneys soon would file a complaint with the Federal Election Commission alleging that ConVis and Amway were illegally funneling a corporate contribution to the GOP under the guise of promoting San Diego as a tourist destination.

The Amway money is being used by ConVis to buy time on The Family Channel for five nights of convention coverage produced by GOP-TV, the party's television operation. The channel is controlled by the Rev. Pat Robertson, founder of the Christian Coalition, and the convention will bump his show, "The 700 Club."

The GOP-TV production is designed to circumvent network coverage by hewing closely to the convention program. GOP and ConVis officials contend it will also promote San Diego to a national audience, but Democratic officials were not persuaded by that argument.

"What we're seeing is a large and illegal corporate contribution to the Republican Party to pay for a long series of infomercials on Pat Robertson's television station," said David Eichenbaum, communications director for the Democratic National Committee.

Sal Giametta, the vice president of community affairs for ConVis, defended the deal as "entirely within the law and appropriate." A San Diego attorney who advised ConVis in the matter did not return a telephone call.

Haley Barbour, chairman of the Republican National Committee, also defended the deal as appropriate for ConVis and said, "We're tickled to death that they're doing it."

Reverberations from the deal were felt at City Hall, where Councilman George Stevens said the deal made no business sense for ConVis, a quasi-public agency subsidized by the city. Aides to Mayor Susan Golding said the mayor was not familiar with the arrangement and would not comment.

ConVis still must raise another \$125,000 to fulfill a second obligation to the GOP: underwriting five days of half-hour morning broadcasts on the USA Network. Giametta said a second sponsor has not been

found and is not being solicited.

"The reality is this is a very high-profile event, much like a Super Bowl or World Series, and once it gets out in the advertising community that the opportunity is out there, we expect to get some calls," Giametta said. "I don't expect this is a problem."

Amway said in a statement it understood the visitors bureau "intends to purchase advertising in conjunction with the cable casting of the Republican National Convention and its proceedings."

"Amway views this support as a public service and is proud to be a part of making this important event available to the American public," the statement continued.

Amway's role in the convention coverage is not surprising, in that the GOP-TV studios were built two years ago with a \$2.5 million contribution from Amway President Richard DeVos and his family.

The company, which ranks among the nation's 25 largest privately held firms, uses 2.5 million distributors to sell 400 commercial, home care, nutrition and personal care products in 75 countries. Competitors include Avon, Herbalife and Mary Kay.

Unlike those companies, however, Amway has a high profile in political and religious circles. It has contributed to Newt Gingrich's campaign committee and to previous "soft money" accounts aiding Republican causes. It was described by *U.S. News & World Report* last year as one of the nation's largest companies with strong Christian leanings.

People For the American Way, a group that monitors conservative politics, included Amway and the DeVos family in a recent study subtitled "Right-Wing Foundations and American Politics."

Amway "has been a key funder of the far-right movement over the years," said the group's vice president, Michael Hudson.

Most recently, Hudson said, Amway became a financial backer of the Virginia-based "Of the People." The organization is promoting parental-rights legislation in Congress and a Colorado ballot initiative establishing that parents have exclusive authority over the upbringing, values, discipline and education of their children.

DeVos sits or has sat as a director of a number of conservative organizations, including the Free Congress Foundation, the Federalist Society for Law and Public Policies Studies, the National Legal Center and Council for National Policy, according to the study.

Giametta said ConVis is proud to work with Amway, "a respectable business that a lot of people subscribe to and benefit from."

The financial details of the agreement were criticized yesterday by Stevens, who said he believes the \$1.3 million should be spent at another time. The convention will be held Aug. 12-15.

"We're already in the spotlight," said the councilman, a Democrat. "You can't talk about the convention without saying 'in San Diego,' just like you can't say 'the Olympics' without saying 'in Atlanta.'"

Noting that the city manager's budget anticipates a \$9.7 million subsidy of ConVis in this fiscal year, Stevens said: "I don't want this city to subsidize an organization, when we're strapped for dollars."

ourselves, then take \$1.3 million and spend it at this particular time, the time of the Republican National Convention."

Meanwhile, Benjamin Haddad, Golding's chief of staff, stated in a memo that his boss was unaware of the agreement until a reporter asked her office about it Wednesday afternoon.

Haddad's memo to City Manager Jack McGrory asks for "additional facts regarding the transaction" and a briefing "describing any legal opinions and an analysis of this arrangement."

MaryAnne Pinter, the Republican mayor's press secretary, said Golding "does not have enough information yet" to pass judgment on the agreement.

Steve Erie, a professor of political science at UCSD, criticized the donation, calling it money laundering designed to get around the reporting requirements of federal election law.

"It looks to me as if this is just a side payment to keep the Christian Coalition under the GOP tent," he said yesterday. "Why would you do it when you've already got gavel-to-gavel coverage with C-SPAN? Is it because C-SPAN is not doing the infomercials?"

"We used to call it payola," Erie said. "My jaw dropped when I read this in the newspaper. In 20 years of watching these things professionally, I have never seen anything like it, a deal of this magnitude."

Staff writers Phil LaVelle and Kathryn Balint contributed to this report.